



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 4/10/2003

GAIN Report #BE3014

Belgium-Luxembourg

Organic Products

Delehaize Closes Its Organic Supermarket Bio Square 2003

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Report Highlights:

The Delhaize chain has decided to close its organic supermarket Bio Square, preferring to pursue and extend sales of organic products in its existing supermarkets.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
The Hague [NL], BE

Delhaize Le Lion, the number two supermarket operator in Belgium, has decided to close its franchised organic supermarket "Bio Square" as of March 12, 2003.

"Bio Square", created two years ago (see BE 1048 on natural food consumption in Belgium), was selling fresh organic products only. The chain will now re-focus on the sales of fresh organic products in its 700 other points of sales (Delhaize supermarkets, AD Delhaize, Proxy Delhaize and Delhaize City).

The Delhaize chain began selling organic products in 1985. To date, it has a range of 650 organic products certified by Ecocert, one of the two Belgian certified organic associations. Organic sales represent 2.5 percent of Delhaize's total turnover and about 3 percent of the food sales. After having increased 35 percent between 2000 and 2001 due to various food crises, organic food sales growth is still healthy, rising 11 percent between 2001 and 2002. Today, one organic product out of three in Belgium is sold through Delhaize.

Three new Delhaize supermarkets will open in Belgium and one in the Grand-Duchy of Luxembourg during 2003/2004 and two new "Delhaize City" will open this year.

The space formerly occupied by "Bio Square" will be renamed "Bio Corner". It will pursue activities without organic products carrying the Delhaize name. It will offer a range of 200 products 100 percent organic such as fruits and vegetables, dairy and meat products, as well as dry grocery products. "Bio Corner"'s ambition is to become a market leader in Organic and Fair Trade Products.